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A Study on Consumer Preferences on Nestle and Cadbury Products in Bangalore City

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ABSTRACT: The India Sugar Confectionery Market has experienced steady growth over the years due to the nation's deep-rooted cultural affinity for sweets. The market offers a wide variety of products, including traditional mithais (Indian sweets), candies, toffees, and chocolates. These confections are enjoyed during festivals, celebrations, and as everyday treats, making it a significant part of Indian culture and lifestyle. India Sugar Confectionery Market is estimated to secure considerable growth in the country with several growth proliferating factors such as the rising shift of rural population into urban areas, rapid change in consumer preferences, and increasing availability of innovative ranges. Additionally, the increasing shift of rural population to urban areas has resulted in changed consumer living and choices. In addition to this, the increasing income level of the population with a surge in economic growth, enables consumers to indulge in premium and wide sugar confectionery ranges. This is resulting in a rise in the confectionery market share in India in the coming years. This research paper aims to conduct a comprehensive comparative study on customer preferences for Cadbury and Nestle products in the confectionery industry. The Cadbury and Nestle brands have long been renowned for their wide range of delectable products, creating a highly competitive market environment. Understanding consumer preferences is crucial for both companies to tailor their marketing strategies and optimize product offerings. The study underscores the importance of understanding consumer preferences to refine marketing strategies and optimize product offerings, emphasizing the need for continuous innovation and consumer engagement to maintain market positions. The paper commences with an in-depth literature review, drawing from existing studies, industry reports, and market trends related to Cadbury and Nestle products.

KEYWORDS: Consumer Preferences, Cadbury and Nestle.

I. INTRODUCTION

The confectionery industry has been a sweet battleground for renowned brands. Among the giants in this market, Cadbury and Nestle stand tall as titans, offering a wide array of products. Nestlé, founded in 1866 by Henri Nestlé, has grown into one of the world's largest food and beverage companies, offering a diverse portfolio of products ranging from chocolate and confectionery to beverages and dairy. Cadbury, established in 1824 by John Cadbury, similarly boasts a rich history and has become synonymous with quality chocolate confectionery. Both brands have garnered immense popularity and loyalty among consumers worldwide, with their products gracing store shelves and homes across continents. Their commitment to innovation, quality, and consumer satisfaction has cemented their positions as leaders in the sweet realm of confectionery. This research paper embarks on a comparative study to delve into the intricacies of customer preferences for Cadbury and Nestle products. Both brands boast a rich history, captivating stories, and commitment to quality, but their unique approaches to confectionery have achieved distinct consumer followings. The paper commences with an in-depth literature review, drawing from existing studies, industry reports, and market trends related to Cadbury and Nestle products. This foundational exploration sets the stage for comprehending the factors that have shaped customer preferences over time. This comparative study seeks to illuminate the fascinating world of customer preferences in the confectionery industry, showcasing how brands like Cadbury and Nestle. This research aims to pave the way for both companies to evolve and thrive in a dynamic and fiercely competitive market.

II. REVIEW OF LITERATURE

1. **Nestle, (2021)** Nestle has been successful in creating a diverse product portfolio that caters to different customer segments and markets, such as its range of chocolate products for Ramadan in the Middle East. It's commitment to sustainability and responsible business practices has been recognized by several organizations, such as the Dow Jones Sustainability Index.



2. **Sedgwick, (2019)** in his study he observed that Nestle's focus on innovation and product development has been successful in expanding its product portfolio and reaching new customer segments, such as its range of chocolate bars for the Chinese market. Nestle's partnerships with retailers such as Walmart and Tesco have been instrumental in expanding its distribution channels and reaching new customers.
3. **Euromonitor International, (2019)** Nestle's partnerships with NGOs and other organizations have been successful in promoting sustainable agriculture practices and improving the livelihoods of farmers in developing countries. Nestle's Milo brand of malted chocolate powder has been a popular product in several Asian countries, including Malaysia and the Philippines.
4. **RajaRajeswari, Kirthika (2016)** conducted a study to find out the consumer behaviour towards Nestle products with special reference to Bangalore city. The objective of the study to analyze the consumer behaviour and satisfaction and factors influencing buyer decision and determine the level of effectiveness. The sample size was 120 respondents in Bangalore city. Tools used for the study were percentage analysis and chi-square. The researcher after conducting a study on consumer behaviour towards the products of nestle had come to conclusion that nestle received a pivotal position in the market for their products.
5. **Gopalakrishnan, Karthikeyan (2013)** conducted a study to find out the consumer satisfaction towards Nestle products with special reference to Trinity city. The main objective was to study the satisfaction level of customers towards Nestle. The sample size is 100 in Trinity city. Tools used for the study is chi-square, percentage analysis. The study mainly concentrated on general price level, quality and consumer expectation overall satisfaction about Nestle products, general awareness and consumer preference of it's products.

III. STATEMENT OF PROBLEM

In the competitive Indian confectionery market, Nestle and Cadbury face intense rivalry, necessitating a deep understanding of consumer preferences. This research aims to bridge the gap by comparing preferences for Nestle and Cadbury products among Bangalore City residents, considering factors like price, quality, taste, and brand image. The study seeks to uncover how demographic variables such as age, gender, and location influence these preferences. By delving into consumer behavior, the research intends to provide valuable insights to both companies, aiding them in formulating strategies to cater to Bangalore's diverse consumer base and potentially other urban markets in India. This research paper aims to conduct a comprehensive comparative study on customer preferences for Cadbury and Nestle products in the confectionery industry. The Cadbury and Nestle brands have long been renowned for their wide range of delectable products, creating a highly competitive market environment. Understanding consumer preferences is crucial for both companies to tailor their marketing strategies and optimize product offerings. The study underscores the importance of understanding consumer preferences to refine marketing strategies and optimize product offerings, emphasizing the need for continuous innovation and consumer engagement to maintain market positions. The paper commences with an in-depth literature review, drawing from existing studies, industry reports, and market trends related to Cadbury and Nestle products. This foundational exploration sets the stage for comprehending the factors that have shaped customer preferences. Nestlé's extensive product portfolio includes a wide range of offerings such as dairy products, coffee, bottled water, baby food, breakfast cereals, ice cream, frozen food, pet food, and confectionery. With a commitment to enhancing the quality of life and contributing to a healthier future, Nestlé operates in over 190 countries, consistently focusing on innovation, sustainability and consumer trust. Over the years, Cadbury has grown to become one of the world's leading confectionery brands, famous for its iconic products. The five product categories offered are chocolate confectionery, beverages, biscuits, gum, and candy. Cadbury has remained the market leader in chocolate confectionery. One of the most well-known brands is Cadbury Dairy Milk, along with 5 Star, Perk, Celebrations, Gems, and Eclairs. Subsequently, a structured survey questionnaire was deployed to collect quantitative data from a diverse group of respondents. The survey will investigate various aspects, such as brand awareness, product familiarity, taste preferences, packaging, pricing, and overall satisfaction with Cadbury and Nestle products. The statistical analysis of this data will provide valuable insights into the overarching trends and patterns in consumer preferences. The basis for the current study is to analyse consumer preference for Nestle and Cadbury products in Bangalore city. A pilot study of 300 respondents were conducted. The convenience sampling technique was employed in the study, which primarily focused on consumer preference for the brand Nestle and Cadbury. The key findings of this research showed a very positive response to products and the brand's image. The results demonstrated that customers trusted the Company and have grown to be loyal consumers of the products over time.

IV. OBJECTIVES OF THE STUDY

1. To identify the Consumer Preference towards Nestle and Cadbury products.
2. To analyze the factors influencing the customers to buy these competing products.



- To explore the emotional attachments that consumers have with Cadbury and Nestleproducts.

V. RESEARCH DESIGN

The study is completely based on Primary Data. For the purpose of data collection, a well-prepared set of Questionnaire was prepared and the responses were gathered from the responses through Google forms in and around Bangalore City. The study confines to Convenient sampling method and the total sample size of study are 300. The tools used for the study is Simple Percentage analysis and Weighted Average Score Analysis.

VI. ANALYSIS AND INTERPRETATION

I. Simple Percentage Analysis

Table 1 Socio- Economic Profile of the Respondents

| Category | Sub categories | Responses | % |
|---------------|----------------|-----------|------|
| Gender | Male | 114 | 48 |
| | Female | 156 | 52 |
| Age | 20-30 | 268 | 89.3 |
| | 31-40 | 20 | 6.7 |
| | 41-50 | 10 | 3.3 |
| | Above 50 | 2 | 0.7 |
| Qualification | 12th standard | 50 | 16.7 |
| | Undergraduate | 199 | 66.3 |
| | Post Graduate | 41 | 13.7 |
| | PHD | 10 | 3.3 |
| Occupation | Student | 258 | 86 |
| | Self Employed | 17 | 5.7 |
| | Govt. Employee | 6 | 2 |
| | Salaried | 19 | 6.3 |

Source: Primary Data

Table 1 represents the Socio-Economic Profile of the respondents including Gender of the respondents, Age of the respondents, Qualification of the respondents and Occupation of the respondents. As per the author compilation, according to the Gender it was found that Majority of the Female respondents are highly responded to the survey with 52%. According to the Age group of the respondents, major respondents in the category of 20 – 30 age categories with a score of 89.3%. As per the Qualification of the respondents, most of the respondents are belongs to the category of Undergraduate and the score is 66.3%. Occupation of the respondents also played a vital role in this survey. As per the analysis, it was found that 86% of the respondents belongs to the category of Student and they all responded to the research work.



Graph 1

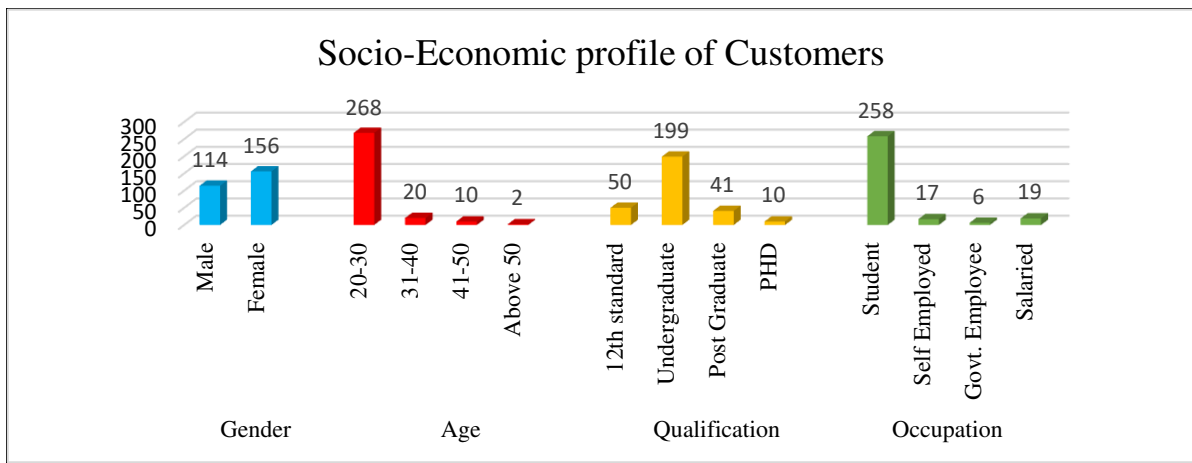


Table 2 Consumption Habits of Customers

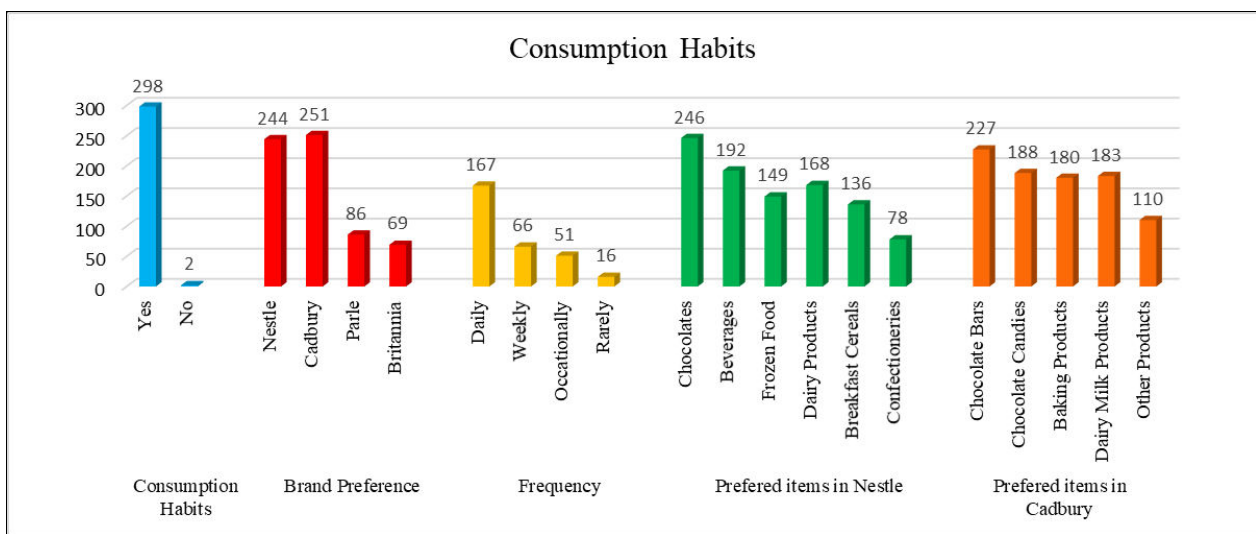
| Category | Sub Category | Responses | % |
|----------------------------|---------------------|-----------|------|
| Brand Preference | Nestle | 244 | 81.3 |
| | Cadbury | 251 | 87.3 |
| | Parle | 86 | 28.7 |
| | Britannia | 69 | 23 |
| Frequency | Daily | 167 | 55.7 |
| | Weekly | 66 | 22 |
| | Occasionally | 51 | 17 |
| | Rarely | 16 | 5.3 |
| Preferred items in Nestle | Chocolates | 246 | 82 |
| | Beverages | 192 | 64 |
| | Frozen Food | 149 | 49.7 |
| | Dairy Products | 168 | 56 |
| | Breakfast Cereals | 136 | 45.3 |
| | Confectioneries | 78 | 26 |
| Preferred items in Cadbury | Chocolate Bars | 227 | 75.7 |
| | Chocolate Candies | 188 | 62.7 |
| | Baking Products | 180 | 60 |
| | Dairy Milk Products | 183 | 61 |
| | Other Products | 110 | 36.7 |

Source: Primary Data



Table 2 focused on the Consumption habits of customers. This table portrays the consumption habits such as Brand preference, Frequency, Preferred items in Nestle and Preferred Items in Cadbury. According to the above table the survey indicates that 99.3% of respondents consume chocolates and beverages, with Cadbury being preferred by 83.7% and Nestle by 81.3%. Parle and Britannia are also favored by 28.7% and 23% of respondents, respectively. The majority 55.7% consume these products daily, while 22% do so weekly, and 17% occasionally. In case of Preferred Items in Nestle, Chocolates are preferred by 82% of respondents, while beverages are favored by 64%. Additionally, 49.7% prefer frozen food, 56% dairy products, 45.3% breakfast cereals, and 26% confectioneries. In case of Preferred items in Cadbury, Chocolate bars are the top choice for 75.5% of respondents, followed by chocolate candies at 62.7%, baking products at 60%, dairy milk products at 61%, and other products at 36.7%. On the whole, Nestle chocolates are mostly preferred by the respondents compared to Cadbury products.

Graph 2



II. Weightage Average Analysis

Table 3 Level of Importance towards Nestle products

| CRITERIA | RESPONSES | | | | | SCORES |
|-----------|----------------|-----------|--------|---------------|-----------------|--------|
| | VERY IMPORTANT | IMPORTANT | NORMAL | NOT IMPORTANT | LEAST IMPORTANT | |
| Flavour | 225 | 57 | 18 | 0 | 0 | 4.69 |
| Price | 105 | 177 | 14 | 2 | 2 | 4.27 |
| Quality | 111 | 154 | 31 | 2 | 2 | 4.23 |
| Packaging | 56 | 109 | 113 | 15 | 7 | 3.64 |
| Brand | 105 | 135 | 46 | 12 | 2 | 4.10 |
| Colour | 11 | 39 | 111 | 117 | 22 | 2.67 |
| Shape | 13 | 36 | 86 | 120 | 45 | 2.51 |
| Quantity | 55 | 199 | 39 | 3 | 4 | 3.99 |

Source: Primary Data

The above table 3 reflects the weightage analysis on the Level of Importance towards Nestle Products with criteria like Flavor, Price, Quality, Packaging, Brand, Color, Shape and Quantity. It reveals that among the criteria considered for evaluating a product, flavour emerges as the most crucial factor with a weighted average of 4.69, indicating its highest significance. Followed by price and quality, with weighted averages of 4.27 and 4.23, respectively, highlighting their significant impact on consumer perception. Brand reputation also holds substantial weight at 4.10, underscoring its influence on purchasing decisions. Quantity, packaging, colour, and shape follow in descending order of importance, with respective weighted averages of 3.99, 3.64, 2.67, and 2.51, indicating their relative significance in the product



evaluation process. Overall, the weighted average analysis exhibits the level of importance of Nestle products with higher significant level.

Table 4 Level of importance towards Cadbury products

| CRITERIA | RESPONSES | | | | | SCORES |
|-----------|----------------|-----------|--------|---------------|-----------------|--------|
| | VERY IMPORTANT | IMPORTANT | NORMAL | NOT IMPORTANT | LEAST IMPORTANT | |
| Flavour | 210 | 73 | 17 | 0 | 0 | 4.64 |
| Price | 134 | 148 | 16 | 2 | 0 | 4.38 |
| Quality | 94 | 168 | 38 | 0 | 0 | 4.19 |
| Packaging | 50 | 112 | 118 | 18 | 2 | 3.63 |
| Brand | 104 | 135 | 51 | 10 | 0 | 4.11 |
| Colour | 13 | 37 | 117 | 113 | 20 | 2.70 |
| Shape | 12 | 44 | 84 | 118 | 42 | 2.55 |
| Quantity | 56 | 204 | 34 | 3 | 3 | 4.02 |

Source: Primary Data

Table 4 demonstrates the Level of Importance towards Cadbury Products. It includes Flavor, Price, Quality, Packaging, Brand, Color, Shape and Quantity as a components for assessment. The weightage analysis demonstrates that among the criteria evaluated for product importance, flavor emerges as the most critical factor, with a weighted average of 4.64, indicating its significant impact on consumer preferences. Price closely follows at 4.38, highlighting its considerable influence on purchase decisions. Quality and brand reputation also hold substantial weight, with weighted averages of 4.19 and 4.11, respectively, underscoring their importance in shaping consumer perceptions. Quantity ranks next at 4.02, emphasizing the importance of product availability and quantity to consumers. Packaging, colour, and shape follow in descending order of importance, indicating their relatively lower impact on consumer preferences compared to flavor, price, quality, and brand. Overall, the weighted average analysis exhibits the level of importance of Cadbury products with higher significant level.

Table 5 Level of satisfaction on Nestle products

| CRITERIA | RESPONSES | | | | | SCORES |
|-----------|------------------|-----------|--------|-----------------|----------------------|--------|
| | HIGHLY SATISFIED | SATISFIED | NORMAL | LEAST SATISFIED | HIGHLY NOT SATISFIED | |
| Flavour | 176 | 103 | 21 | 0 | 0 | 4.52 |
| Price | 53 | 190 | 54 | 3 | 0 | 3.98 |
| Quality | 79 | 173 | 46 | 2 | 0 | 4.10 |
| Packaging | 63 | 160 | 66 | 9 | 2 | 3.91 |
| Brand | 84 | 178 | 38 | 0 | 0 | 4.15 |
| Quantity | 42 | 193 | 62 | 3 | 0 | 3.91 |

Source: Primary Data

The above table focuses on the level of satisfaction on Nestle Products and includes Flavour, Price, Quality, Packaging, Brand and Quantity. The weightage analysis reveals that among the evaluated criteria, flavour stands out as the most critical factor with a weighted average of 4.52, indicating the highest level of satisfaction among respondents. Brand perception follows closely at 4.15, emphasizing its significant impact on overall satisfaction levels. Quality ranks next at 4.10, highlighting its importance in meeting consumer expectations. Price and quantity tie at 3.98, underlining their role in balancing value and availability for customers. Packaging also holds importance at 3.91, indicating its contribution to overall satisfaction levels. This analysis underscores the paramount importance of flavour, brand perception, and quality in driving consumer satisfaction, while also recognizing the influence of pricing, quantity, and packaging on customer experience and satisfaction.



Table 6 Level of satisfaction derived from consumption of Cadbury products

| CRITERIA | RESPONSES | | | | | SCORES |
|-----------|------------------|-----------|--------|-----------------|----------------------|--------|
| | HIGHLY SATISFIED | SATISFIED | NORMAL | LEAST SATISFIED | HIGHLY NOT SATISFIED | |
| Flavour | 179 | 98 | 23 | 0 | 0 | 4.52 |
| Price | 41 | 196 | 55 | 8 | 0 | 3.90 |
| Quality | 94 | 169 | 35 | 2 | 0 | 4.17 |
| Packaging | 87 | 147 | 60 | 6 | 0 | 4.05 |
| Brand | 85 | 181 | 34 | 0 | 0 | 4.17 |
| Quantity | 54 | 190 | 53 | 3 | 0 | 3.98 |

Source: Primary Data

The weightage analysis highlights that among the evaluated criteria, flavour is the most highly satisfied criterion with a weighted average of 4.52, indicating a significant level of satisfaction among respondents. Quality and brand perception closely follow at 4.18 and 4.17, respectively, underlining their importance in meeting customer expectations and driving satisfaction. Packaging also plays a crucial role, with a weighted average of 4.05, emphasizing its contribution to overall customer satisfaction levels. Quantity and price, while still important, rank slightly lower at 3.98 and 3.90, respectively, indicating their impact on customer satisfaction but with room for improvement compared to other criteria. This analysis underscores the critical importance of flavour, quality, brand perception, and packaging in ensuring high levels of customer satisfaction and loyalty.

VII. SUGGESTIONS

1. Based on the study it was found that consumers are expecting a variety in chocolates. So both the companies, Nestle and Cadbury if they are coming up with innovative and variety of products, they can attract more customers.
2. Nestle and Cadbury, explore opportunities to expand distribution channels beyond traditional retail outlets. They can consider partnerships with online retailers, convenience stores, or specialty outlets to reach new customer and increase accessibility to products.
3. Nowadays, Health and wellbeing is considered as an significant aspect of life, so the companies can make efforts to introduce Nutritious elements in chocolates including millets, dry fruits, nuts, cereals and fiber.
4. Both Nestle and Cadbury can focus on Environment Friendly products even in their packing, labelling and distribution.

VIII. CONCLUSION

In conclusion, the study on customer preferences for Nestle and Cadbury products in Bangalore city has shed light on the factors that influence customers' decision-making processes when it comes to choosing these products. Through the survey, it was found that taste, quality, and brand image are the top three factors that influence customer preferences for Nestle and Cadbury products in Bangalore city. The study also revealed that product packaging and pricing play a significant role in shaping customers' perceptions and preferences. However, the study has several limitations, including a limited sample size, bias in data collection, and a lack of comparison with other brands in the same product category.

Future studies could build on this research by exploring other factors that influence customer preferences, such as demographic factors, cultural preferences, and sustainability concerns. By considering these additional factors, Nestle and Cadbury could develop marketing strategies that better align with customer needs and preferences, and enhance its competitive edge in the Bangalore market. Overall, this study provides valuable insights into customer preferences for Nestle and Cadbury products in Bangalore city, and could inform future research and marketing strategies for these brands and other brands in the region.



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